IN THE DRAWING

Annotated and Replacement Sheets include the changes requested in the Action.

REMARKS

The Examiner has pointed out that some claims of the invention are not novel because of the cited reference, JP07-317706. However, the cited reference is installed in a center bypass path, and that means constant discharge amount of fluid from pump to tank is subtracted irrespective of the pressure of the supply path to cylinder. That can cause some problem in the low speed mode of engine, in which it cannot fully supply the discharge amount of fluid to the cylinder, as can be seen in Fig. 2 (prior art) of the invention.

Meanwhile the invention's discharge amount adjusting valve (8) is installed in a supply path of the actuator (written in claim 1), so it could retain as much fluid as the cylinder needs and discard the remainder. Because of this structure, the invention could be efficient in energy saving by only discarding the minimum amount of fluid, and it does not have cavitations problem in the low speed mode of engine like the cited reference. One could understand easily if one compared Fig. 7 of the invention with Fig. 2 (prior art) of the same. Therefore, the cited reference is not close to the invention, but rather similar to prior art described in the invention.

Furthermore, the cited reference is intended for the case when small and large inertia actuators are installed together, so it is to adjust the appropriate discharge amount of fluid between those actuators, especially when they operate at the same time. It is clearly seen that the adjusting valve is only operated when the small inertia actuators are operated, so there is quite a distance from the invention.

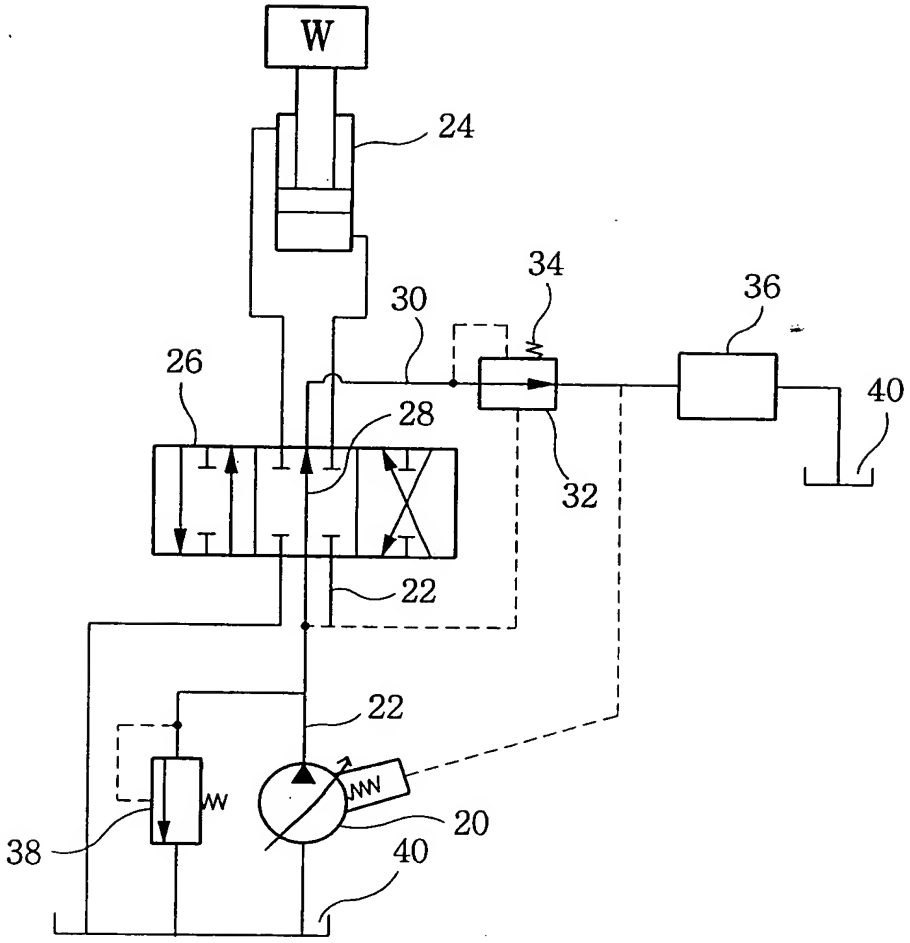
Finally, the Examiner has pointed out that some claims related to installing the adjusting valve inside the spool of the switching valve are obvious over the cited reference, but there is no specific description in the cited reference. Because adjusting valve has to draw pressure from the cylinder, it usually needs a pressure line, but because adjusting valve of the invention is installed inside the spool of the switching valve, it does not need the pressure line.

Reconsideration and allowance are, therefore, requested.

Respectfully submitted,

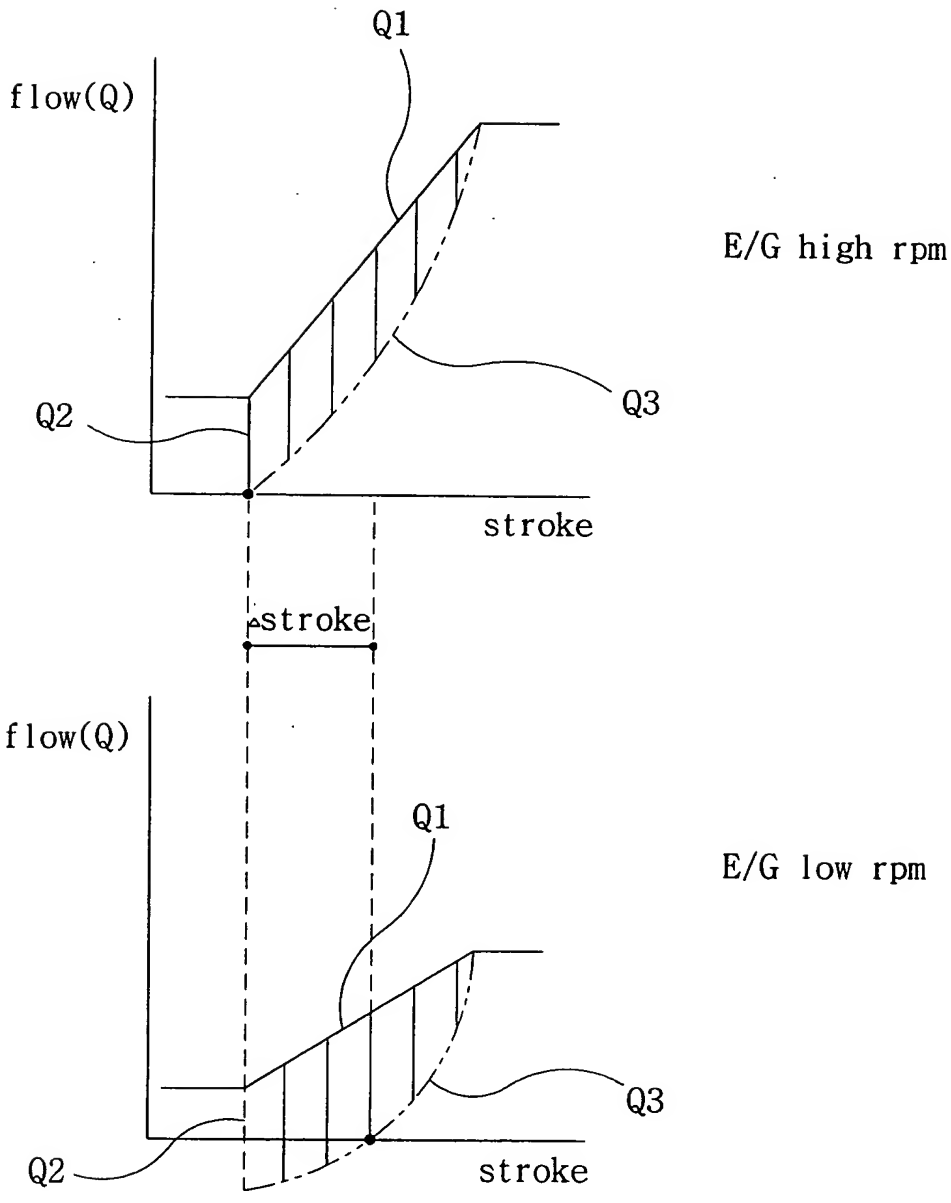
William R. Evans
c/o Ladas & Parry LLP
26 West 61st Street
New York, New York 10023
Reg. No. 25858
Tel. No. (212) 708-1930

Fig. 1



PRIOR ART

Fig. 2



PRIOR ART

Fig. 3

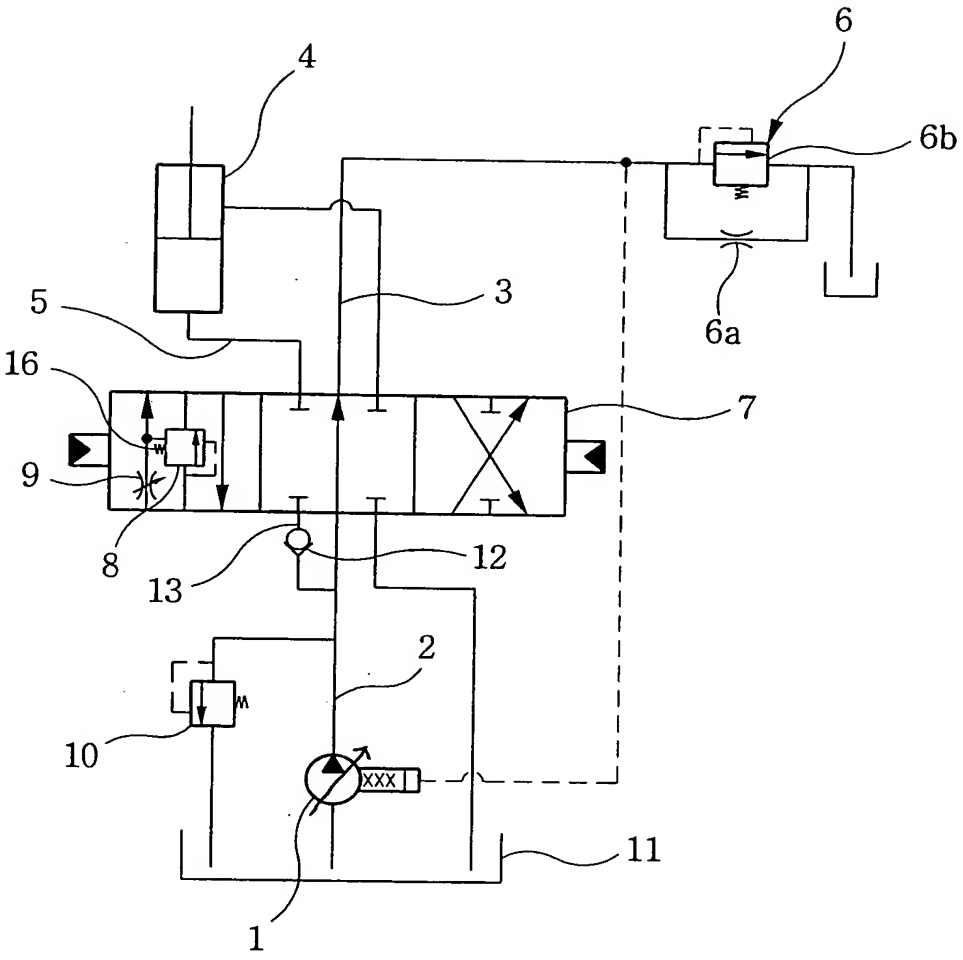


Fig. 4

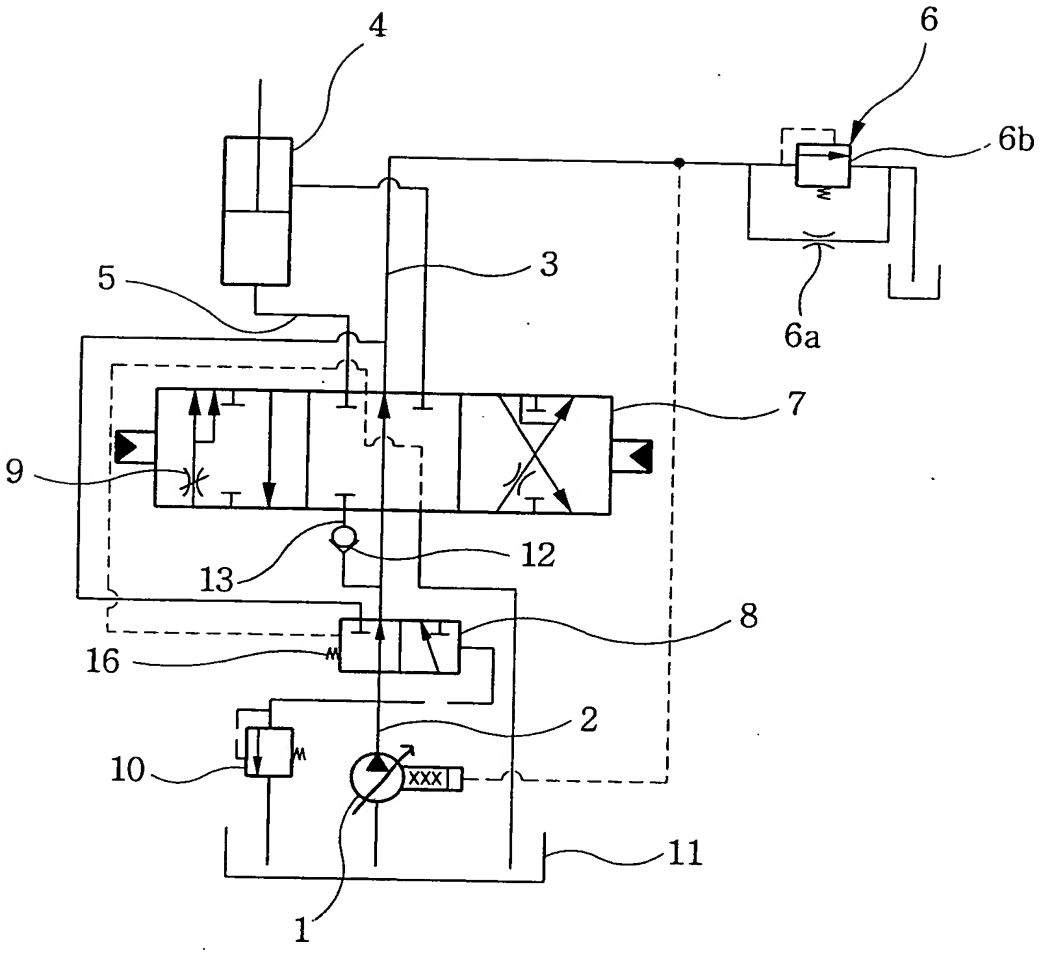
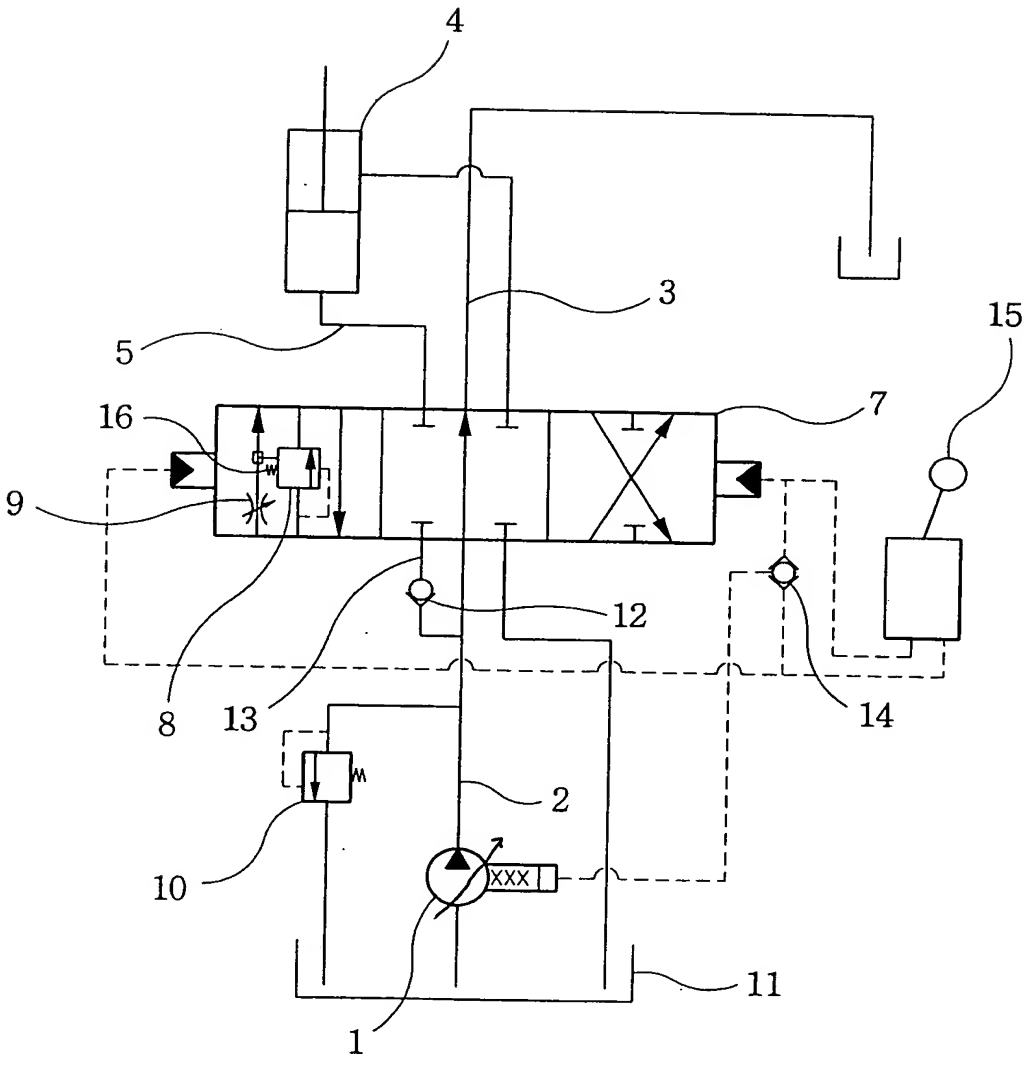


Fig. 5



10/716,036
ANNOTATED SHEET

Fig. 6